

MONTANA BOARD OF HORSE RACING  
BOARD MEETING  
June 28, 2011  
10:00AM  
Helena, MT  
APPROVED MINUTES

ATTENDANCE:

Mike Tatsey	Vice Chairman	Susan Egbert	Board Member
Cody Drew	Board Member	Shawn Realbird	Board Member
Sue Austin	Board Member	Topper Tracy	Board Member
Ryan Sherman	Executive Secretary	Sherry Meador	Legal Counsel

PUBLIC IN ATTENDANCE: George Harris; Steve Earle, Janis Schoepf (via phone), Ben Carlson (via phone)

CALLED TO ORDER: Vice Chairman Tatsey called the meeting to order at 10:20 AM

Unapproved Minutes: Member Drew moved to approve the minutes from the June 2, 2011 conference call. Member Egbert seconded the motion, motion passed.

NEW BUSINESS

- A. George Harris from the Montana Department of Livestock gave a MBOHR budget status update. As of June 2, the Board of Horse Racing financial position had been negatively impacted from -\$31,000, to -\$59,000 since April 30. He showed the Board the Advanced Deposit wagering deposits, simulcast deposits, fantasy sports deposits and the associated costs with it. He then talked about the potential cash position of the board at fiscal year-end on June 30 being a possible \$-29,000, based on average revenues minus expenses. After generating a cash balance, it was determined that by the time a possible race meet was to be opened in Montana, the board would have to look at the loan that they had talked about on June 2, to spend for live racing. Member Tracy asked the board to reiterate their support for Mr. Harris to seek the loan from the Department of Administration.

Member Tracy made a motion to support the Department of Livestock in their attempt to secure the loan to supplement purses at the Kalispell Race Meet for 2011. Member Egbert seconded the motion. Motion passed.

- B. Simulcast Network Update:

Mr. Sherman gave a financial update of the sites from the Triple Crown races. He also gave an update that a site in Butte, MT had contacted him about possibly hosting simulcasting in that region. The M & M Cigar Store was willing to be the host, but was

awaiting their gambling license to open up full-time. Mr. Sherman stated that they hoped to install the Tote Equipment around the opening of the Kalispell Race Meet.

#### C. Live Racing Update

1. Miles City: Miles City completed two days worth of racing, with two days of the Bucking Horse Sale cancelled because of heavy rain. Mr. Sherman stated that the stakes races were paid out equally to each of the 8 qualifiers for the Quarter Horse Futurity and Derby, along with the Paint Futurity.
2. Kalispell: Mr. Sherman stated that United Tote had contacted him concerning the outstanding amount owed from the previous year. Discussion followed on if the money from the loan, if approved by the DOA, could be used to pay this and any other prior year's bill and Member Tracy stated that it should be used for 2011 only. Member Drew stated that he felt that Member Tracy's way was correct and Member Tatsey stated that he would work with Kalispell Race Meet on sponsorship opportunities for prior and current costs associated with the 2011 Kalispell Race Meet. He felt as though the loan for this year should be for regulatory, insurance, and purses for the meet this year and that there is sponsor opportunities out there, as in other communities to help with operating costs. Janis Schoepf stated that it would be good to work with Mike and they would start formulating a plan following the meeting. The board agreed to go with these suggestions.
3. Yellowstone Downs: Mr. Sherman stated that he had visited with Ben Carlson and Jim Espy of Yellowstone Downs and they had decided to try and go with the eight racing dates that they were awarded originally in January. There had been talk of dropping the dates by a weekend or two weekends. Ben Carlson echoed those thoughts by phone.
4. Missoula: Steve Earle requested to know about the added day in Kalispell and asked why the date was given, based upon the Board not being able to give a dedicated amount total to Missoula when discussing dates at a prior meeting. He felt as though if the State was willing to secure additional funding at a later date for one meet, they could've afforded the additional funding for the meets such as Great Falls and Missoula to run this year as well. He stated that there was no communication with them on going to secure additional funding. Vice Chairman Tatsey apologized on behalf of the board, to Missoula County and Mr. Earle for the miscommunication on the process, and felt the Board was trying to move quickly on securing racing after the deadline in May had passed. All board members echoed the thought.

#### D. Strategic Planning Session

The Board got into a discussion of planning for the future and how a strategic planning session should take place. The board started out thinking of ideas and

placing a priority list. Steve Earle, from Western Montana Fair stated that before the board gets too far on the planning process, they need to formulate a dedicated schedule, have a moderator in place and piece together the ideas that the Board is discussing on the table as one and move forward based on that. He stated that a planning session doesn't start and end with one two-hour meeting, so take the time to coordinate and formulate going forward. Member Real Bird then stated that there were avenues through the State on gathering grants to produce studies and plans such as this. As the discussion progressed, Vice Chairman Tatsey asked the Board to consider having Mr. Sherman and Ms. Meador work on gathering up information and getting a plan in place to have a strategic planning session in the October time frame. Ms. Meador stated that she had talked with Ms. Tryon from Great Falls and she had a good person to conduct this type of study and work session. Member Egbert and Member Austin made the suggestion that Member Tatsey should be the board member that works with the staff to meet and develop a plan going forward, including hiring a facilitator for the planning process. Member Tatsey agreed to participate in the planning process.

**OTHER BUSINESS:**

1. No other business was brought up at this time.

**PUBLIC COMMENT:** There was no additional public comment

**ADJOURNMENT:** Member Tracy moved to adjourn. Member Austin seconded the motion. Motion passed.

The meeting was adjourned at 1:20 p.m.

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Signature  
Vice Chairman Mike Tatsey

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Date